

Government of the United States Virgin Islands

Request for Proposals for

Third Party Fiduciary Services

Issued By:

United States Virgin Islands
Department of Property and Procurement
Sub Base Building #1, Third Floor
St. Thomas, Virgin Islands 00802

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

Table of Contents

Cover Page

Part 1 General Information

Intention	1.1
About the US Virgin Islands	1.2
Project Background	1.3
Technology and System Background	1.4
Project Functional Scope	1.5
Project Goals and Objectives	1.6
Guidelines	1.7
Negotiations	1.8
Confidentiality	1.9
Reserved Rights	1.10
Incurred Costs	1.11
Discussion of Proposals	1.12
Issuing Agent	1.13
Submission Requirements	1.14
Acceptance	1.15
Interpretations, Discrepancies, Omissions	1.16
Pre-Proposal Questions	1.17
Rejection	1.18
Award	1.19

Part 2 Terms and Conditions

Indemnification	2.1
Retention of Vendor Material	2.2
Certificate of Independent Price Determination	2.3
Payment Terms	2.5
Limitation on Liability	2.6
Contractor Project Personnel	2.7
Limits on Subcontractors for Implementation	2.8
Services and Statement of Work	2.9
Jurisdiction, Venue, Choice of Law	2.10
Responsibility and Default	2.11
Professional Standards	2.12
Licensure	2.13
Termination	2.14
Ownership of Information	2.15
Conflict of Interest	2.16

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

Notice of Federal Funding	2.17
---------------------------------	------

Part 3 Detailed Submittal Requirements

General Requirement	3.1
Executive Summary	3.2
Scope of Services	3.3
Statement of Work	3.3.1
Communication to Enterprise Resource Planning System.....	3.4
Company Background	3.5
Financial Management Reporting	3.6
System Integration	3.7
Fiduciary Oversight Services Plan	3.8
Change Management	3.9
Client References	3.10
Cost Proposal	3.11
Exceptions to the RFP	3.12
Sample Documents	3.13

Part 4 Evaluation of Proposals

GVI Consultants	4.1
Selection Participants	4.2
Evaluation Process	4.3

Attachments

- Attachment 1 Third Party Fiduciary Reference Form
- Attachment 2 Sub-Contractor Reference Form
- Attachment 3 Proposed Cost Schedule
- Attachment 4 Sample Professional Services Agreement
- Attachment 5 Compliance Agreement between the GVI and USED

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

RFP-XX-XXXX

Third Party Fiduciary Oversight and Funds Management Services

This Request for Proposals (RFP) is for the purpose of establishing a contract with a qualified firm (or firms) to provide Third Party Fiduciary Oversight and Funds Management Services for U.S. Department of Education Grant(s) funds received by the USVI.

GENERAL REQUIREMENTS: Prospective vendors are to submit sealed proposals, which will be opened and evaluated in accordance with the evaluation of proposals section of this solicitation.

Items to be submitted are listed in section 1.14 [SUBMISSION REQUIREMENTS] below.

SUBMISSION LOCATION: Department of Property and Procurement,
Sub Base Building #1, Third Floor St.
Thomas Virgin Islands, 00802

SUBMISSION DATE AND TIME: Friday, September 23, 2016 by 4:00 p.m. (Atlantic Standard Time)
Proposals received after the time specified will not be opened.

CONTACT/QUESTIONS: Submit questions to:

Latisha Blyden, Deputy Commissioner of Procurement
Department of Property and Procurement
Subbase Building #1, 3rd Floor
St. Thomas, Virgin Islands 00802
Phone: (340) 774-0828
Email: latisha.blyden@dpp.vi.gov

Questions are required no later than Thursday, September 15, 2016 @ 4:00 pm.

CONTENTS: All sections included in the Table of Contents, including this cover sheet, shall be considered integral of this solicitation.

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

Part 1 General Information

1.1 INTENTION

The U.S. Government of the United States Virgin Islands (“GVI”) seeks, from all interested financial management, banking services, or Certified Public Accounting prospective vendors with proven experience in providing independent fiscal management and oversight for the public sector, proposals to provide third-party fiduciary (TPF) oversight, management and administration of U.S. Department of Education (USED) grant funds to the GVI, in accordance with applicable Federal requirements. The engagement of a TPF agent by the GVI is a necessary condition for the receipt of USED grant funds and the scope of services specifically includes compliance with the requirement of Special Conditions imposed on program grant funds that are made available by USED to the GVI, as may be amended by USED.¹

The scope of these services includes, but is not limited to, administration and pre-audit of the following business processes: purchasing, contracting, accounts payable, accounts receivable, cash receipts, fixed asset accounting and management, time distribution, inventory management, reporting and record keeping, and payroll disbursement. The selected vendor will be responsible for performing financial management duties currently performed by the Virgin Islands Department of Finance (VIDF), the Virgin Islands Department of Property and Procurement (VIDPP) and the Governor’s Office for all funds provided to the Virgin Islands Department of Education (VIDE), the Virgin Islands Department of Health (VIDOH) and the Virgin Islands Department of Human Services (VIDHS) by the United States Department of Education (USED). The selected vendor will be required to ensure that all such funds are received, deposited and disbursed in accordance with USED and other applicable Federal requirements, including 34 CFR Parts 75, 76, and 80, and OMB Circular A-87 now known as 2 CFR 200, as well as Virgin Islands requirements and regulations.

The GVI anticipates that a contract for these services will be in place by October 1, 2016 with services to begin no later than October 15, 2016. Prospective vendors are required to budget all work efforts accordingly in order to insure that provision of services are commenced by this date. The contract period for the services is expected to begin on the aforementioned date and conclude September 30, 2018 or when the GVI and VIDE are in full compliance with all of the provisions originally specified in the September 2002 Compliance Agreement.

This RFP sets forth the requirements for the services and solicits a detailed response from prospective vendors to include a Technical Proposal and a Pricing Proposal, under separate cover.

GVI encourages respondents to this solicitation to propose alternative strategies for

¹ Currently, the Federal Fiscal Year 2016-2017 Special Conditions

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

consideration based on previous experience or for reasons such as risk mitigation. At a minimum, a prospective vendor must submit pricing and staffing estimates for the life of the project.

1.2 ABOUT THE UNITED STATES VIRGIN ISLANDS

The United States Virgin Islands (USVI) is an unincorporated Territory of the United States. In 1936 the United States Congress passed the Organic Act, whose provisions allow for a system of civil government. Under legislation passed in 1968, the Territory has been democratically electing its governor since 1970. Prior to 1970, the President of the United States appointed the Governor.

The law making body of the USVI is a 15-member unicameral body called the Legislature of the United States Virgin Islands (the “Legislature”). The Legislature is one of the three co-equal branches of government. The other two branches are the Executive, which is headed by a Governor and is responsible for administering the laws passed by the Legislature, and the Territorial Court of the Virgin Islands, which is responsible for interpreting the laws passed.

The drivers for this initiative are based upon the September of 2002 Compliance Agreement entered into between the VIDE and the USED. This RFP seeks to remedy several inefficient processes identified by the USED concerning the administration of federal education grant funds by the GVI. A copy of the Compliance Agreement is attached and the major business processes that require independent oversight as a result of failure to meet requirements of the agreement are listed in the technical section of this document.

1.3 PROJECT BACKGROUND

Since 2006, as a necessary condition for receiving certain grant funds from the U.S. Department of Education (USED), the Government of the Virgin Islands (GVI) has contracted with a third-party fiduciary agent (TPF), to ensure that the GVI manages and administers USED grant funds in accordance with applicable Federal requirements; particularly the financial management requirements of 34 CFR Parts 75 and 76, and 2 CFR Part 200, for all USED grant awards. The contract for the current TPF agent expired on June 25, 2016. Accordingly, the GVI, by this RFP process, seeks the services of a new TPF agent. [The contract with the current TPF agent has been extended while the GVI procure the services of a new TPF agent].

The requirements for the GVI to contract with a TPF agent and the working relationship between the GVI and the TPF agent are imposed and prescribed by the “*US Virgin Islands, Virgin Islands Department of Education, Virgin Islands Department of Health, Virgin Islands Department of Human Services Federal Fiscal Year 2016 and 2017 Special Conditions*” (FFY 2016-2017 Special Conditions), as maybe amended and supplemented by USED. The FFY 2016-2017 Special Conditions is included herewith as an integral part of the RFP.

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

In addition to ensuring the proper management of USED grant funds, the FFY 2016-2017 Special Conditions prescribe the requirements for the GVI to demonstrate its readiness to reassume the management of USED's grant funds. The USED's stated expectation is that the TPF agent will assist the GVI to be able to regain responsibility for the effective management of the USED grant funds, without the need for TPF oversight.

Therefore, the selected vendor will be expected to work with the GVI to develop and implement a plan to demonstrate to USED at the appropriate time its readiness to transition out of TPF oversight. Accordingly, the prospective vendor will be expected at the appropriate time to propose a credible, practical approach to such a transition.

The selected vendor will have demonstrated through its proposal that it has:

1. a full understanding of the purpose and scope of the required services, specifically including the requirements of the Special Conditions imposed by USED;
2. the human capability (by education, training and experience) and capacity (human resources) to fulfill the project scope and requirements successfully;
3. a credible approach to positioning the GVI to regain fiscal management responsibility for USED grant funds, without the need for Third Party Fiduciary oversight.

1.4 TECHNOLOGY AND SYSTEM BACKGROUND

The current Credible Financial Management System (CFMS) was initiated with the implementation of the Tyler Munis ERP, which commenced on October 1, 2006 with several "Core" modules (i.e., Purchasing / Requisitions, Accounts Payable, Cash Receipts, Treasury Management, General Ledger, Budgeting and Fixed Assets) which served to gradually minimize the deficiencies of the internal control structure of the GVI. These Core modules, which conform to generally accepted accounting principles (GAAP), along with the training of GVI personnel to utilize the capabilities of the Tyler Munis ERP system, as well as documented policies and procedures, have improved the effectiveness of the GVI's internal control structure dramatically.

1.5 PROJECT FUNCTIONAL SCOPE

The GVI is soliciting proposals for fiduciary oversight and funds management services that meet the requirements set forth in this Request for Proposal (RFP). The purpose of the RFP is to provide interested prospective vendors with sufficient information to enable them to develop and submit proposals for services that will fulfill the specified requirements of the GVI and the USED. The scope of services specifically includes fulfilling the requirements, responsibilities and purposes of the Special Conditions and particularly as outlined in Attachment A. *"Responsibilities and requirements for the Third Party Fiduciary Agent."* The "U.S. Virgin Islands, Virgin Islands of Department of Education, Virgin Islands

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

Department of Health, Virgin Islands Department of Human Services, and Federal Fiscal Year (FFY) 2016 and 2017 Special Conditions” is an integral part of this RFP. The scope of the oversight services includes, but is not limited to, the following functionality:

- General Ledger/Budget Control of Grant Funds
- Purchasing
- Accounts Payable
- Accounts Receivable
- Cash Receipts
- Grant Accounting and Reconciliation
- Fixed Assets
- Inventory Management
- Payroll Processing
- Time Distribution

1.6 PROJECT OBJECTIVES

The project’s objectives cover all aspects of the Compliance Agreement and Special Conditions (issued yearly) as defined in the scope of work. However, a crucial goal of the project is to provide improved controls for all of the processes detailed in the Compliance Agreement and to achieve more effective and efficient business and financial operations throughout the GVI. The following lists some of the major objectives that GVI is looking for from the prospective vendor:

- Provide strict financial controls over all USED grant funds provided to the GVI.
- Demonstrate a strong past performance record in performing the desired services.
- Ensure that sufficient personnel are available, with the necessary skills and expertise in the financial management functions included in this RFP, to perform the desired services.
- The ability to scale operations to accommodate any increase in workload.
- Perform monthly and quarterly account reconciliations and provide supporting financial statements and reports in support of the reconciliations to the VIDE, GVI, and USED as required.
- Access the USED G5 system for the purpose of providing oversight of funds drawn, by VIDE, VIDH, and VIDHS, to an account(s) the prospective vendor would control and ensure proper distribution and allocation of the funds.
- Prevent the potential lapsing of available funds by identifying the appropriate timeframes to draw down funds from G5 as well as the proper allocation of these funds.
- Distinguish, if necessary, between direct and indirect costs associated with administering VIDE, VIDH, and VIDHS program funding and ensure accurate

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

methods are used to correctly allocate funds between these two cost categories and others as necessary-

- Establish an approach to process and turnaround requests from the client entity VIDE for services, whether it is the ordering of materials or services, within 48 hours for small purchases and within 5 days for large purchases (i.e. computers, etc.).
- Process payment to prospective vendors for goods or services delivered within 48-72 hours of receipt of invoices, either via paper draft or electronic funds transfer (EFT). Preference would be for EFT in order to establish a pattern of prompt payment.
- Provide financial status information on a random basis to USED and/or other oversight entities.
- Manage the procurement, labeling (bar-codes), and inventory management and tracking of large value items (equal to and greater than \$5,000 in accordance with the requirements of 34 CFR 80.32(d)) on behalf of the VIDE. Explore the potential and timeframe necessary to increase this capability to include items between \$500 up to \$5,000.
- Monitor procurement and financial processing through encumbrance, pre--encumbrance, bid/quote and contract management.
- Provide dollar limit validations as well as line item budget comparisons to prevent over limit spending and non-allowable grant spending.

1.7 GUIDELINES

By virtue of submitting a proposal, interested parties are acknowledging:

- 1.7.1 Selection of the vendor to provide these services will require the concurrence of the United States Department of Education.
- 1.7.2 This RFP is a request for third party fiduciary oversight and funds management services. As such, proposals that do not include both of the above services as requested will not be considered. Firms that do not provide all of the services detailed in the scope of work are expected to partner with another firm(s) that as a whole can satisfy all of the requirements of the project scope.
- 1.7.3 The GVI reserves the right to reject any or all proposals if it determines that select proposals are not responsive to the RFP or if the proposals themselves are judged not to be in the best interests of the GVI. The GVI reserves the right to reconsider any proposal submitted at any phase of the procurement. It also reserves the right to meet with select prospective vendors at any time to gather additional information.
- 1.7.4 The GVI expects to enter into a single professional services agreement with the main firm submitting the proposal. If the GVI is not satisfied with the qualifications, cost, or experience of any third-party sub-contractors, it reserves the right, to request that the prime firm provide another partner for the subcontracted services. All firms

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

submitting proposals, by virtue of doing so, are recognizing that the GVI retains this option.

1.7.5 All prospective vendors submitting proposals agree that their pricing is valid for a minimum of one year after proposal submission to the GVI.

1.7.6 In an effort to maintain fairness in the process, all inquiries concerning this procurement are to be directed only to:

Latisha Blyden, Deputy Commissioner of Procurement
Department of Property and Procurement
Subbase Building #1, 3rd Floor
St. Thomas, Virgin Islands 00802
Phone: (340) 774-0828
Email: latisha.blyden@dpp.vi.gov

Attempts to contact the GVI Executives, legislators, managers, employees, or other external prominent or interested parties to influence the procurement decision will lead to immediate elimination from further consideration.

When responding to this RFP, please follow all instructions carefully. Please submit proposal contents according to the outline specified and submit all hard copy and electronic documents according to the instructions. Failure to follow these instructions may be considered an unresponsive proposal and may result in immediate elimination from further consideration.

1.8 NEGOTIATIONS

GVI reserves the right to negotiate with selected offerors if necessary or appropriate to accomplish the purpose of this RFP.

1.9 CONFIDENTIALITY

The GVI shall examine the proposals to determine the validity of any written requests for non-disclosure of trade secrets and other proprietary data identified. After award of the contract, all responses, documents, and materials submitted by prospective vendors pertaining to this RFP will be considered public information and will be made available for inspection, unless otherwise determined by the Commissioner of Property and Procurement. All data, documentation and innovations developed as a result of these contractual services shall become the property of the GVI. Based upon the public nature of these RFP's, a prospective vendor must inform the GVI, in writing, of the exact materials in the offer, which cannot be made a part of the public record.

All data and information gathered by the vendor and its agents, including this RFP and all reports, recommendations, specifications, and data shall be treated by the vendor and its

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

agents as confidential. The vendor and its agents shall not disclose or communicate the aforesaid matters to a third party or use them in advertising, publicity, propaganda, and/or in another job or jobs, unless written consent is obtained from the GVI.

1.10 RESERVED RIGHTS

GVI reserves the right, at any time and for any reason, to cancel this Request for Proposal or any portion thereof, to reject any or all proposals, or to accept an alternate proposal. The GVI reserves the right, to waive any immaterial defect in any proposal. The GVI may seek clarification from a prospective vendor at any time. Prospective vendor's failure to respond promptly will be cause for rejection. The GVI may require submission of best and final offers.

1.11 INCURRED COSTS

Those submitting proposals do so entirely at their expense. There is no expressed or implied obligation by the GVI to reimburse any individual or firm for any costs incurred in preparing or submitting proposals, for providing additional information when requested by the GVI or for participating in any selection interviews, including discovery (pre-contract negotiations) and contract negotiations.

1.12 DISCUSSION OF PROPOSALS

GVI may conduct discussions with any vendor who submits a proposal. During the course of such discussions, the GVI shall not disclose any information derived from one proposal to any other vendor.

1.13 ISSUING AGENT

The GVI's Department of Property and Procurement is issuing this RFP. Prospective vendors are specifically directed NOT to contact any GVI personnel, other than specified personnel identified in this RFP, for meetings, conferences or technical discussions that are related to the RFP. Unauthorized contact of any GVI personnel will be cause for rejection of the vendor's RFP response. The actual decision to select a proposal is solely that of the Government of the United States Virgin Islands.

All communications regarding this RFP process should be directed to:

Latisha Blyden, Deputy Commissioner of Procurement
Department of Property and Procurement
Subbase Building #1, 3rd Floor
St. Thomas, Virgin Islands 00802
Phone: (340) 774-0828
Email: latisha.blyden@dpp.vi.gov

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

1.14 SUBMISSION REQUIREMENTS

To facilitate evaluation of proposals-all requested materials shall be submitted to the address shown below.

Mailing Address:

Department of Property and Procurement
Sub Base Building #1, Third Floor
St. Thomas, Virgin Islands 00802

Please use the following checklist to ensure that you are submitting a complete proposal. Additionally, please ensure that all electronic files are clearly identified with your business name and address.

- Two copies of the entire proposal need to be submitted electronically (on CD-ROM only).
- Twelve (12) bound copies of the proposal (including hard copies of costs), presented in a professional manner, are to be submitted.
- Microsoft Excel workbook containing cost estimates.
- References on forms supplied in this RFP (Microsoft Word).

The original submission shall be clearly marked “original”. Proposals must be received no later than 4:00 p.m. (Eastern Standard Time) on (September 23, 2016 at 4:00pm). The vendor’s name and address must be marked clearly on the proposal submission. Late proposals will not be considered and will be returned to the vendor unopened. The official receipt of the proposal is based upon the date and time stamp issued by the GVI Department of Property and Procurement.

Proposals received prior to the time of the opening will be securely kept, unopened. No responsibility will be attached to the GVI for the premature opening of a proposal not properly addressed and identified. The GVI cautions prospective vendors to assure actual delivery of mailed or hand-delivered proposals directly to the GVI’s Department of Property and Procurement prior to the established deadline.

Prospective vendors who do not provide this information in their proposal will not be short-listed for interviews until this information is received or may be eliminated from further evaluation.

1.15 ACCEPTANCE

Submission of any proposal indicates a vendor’s acceptance of the conditions contained in this RFP unless clearly and specifically noted otherwise in the proposal.

1.16 INTERPRETATIONS, DISCREPANCIES, OMISSIONS

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

Should any vendor find discrepancies, omissions or ambiguities in this RFP, the vendor should at once request in writing an interpretation from the GVI's Project Manager. All questions will be answered to the extent possible in the form of addenda to the specifications. The addenda will be mailed within one week following the deadline for questions. Interpretation, corrections or changes made in any other manner will not be binding. All written requests for clarification should be addressed to the Director of the Office of Management and Budget by 4:00 P.M. Eastern on (insert new date).

Tentative Procurement and Implementation Schedule

(September 9, 2016)	RFP Release Date
(September 15, 2016)	Cut-off Date for Proposal Questions
(September 23, 2016)	Proposals Due (4:00 p.m. – Eastern)
(September 27, 2016)	Proposal Evaluation/Elevation to Vendor Interviews
(TBD)	Vendor Interviews
(TBD)	Finalize & Sign Contracts
(TBD)	Startup of Services

The GVI will conduct vendor interviews with only select prospective vendors that meet the evaluation criteria in this RFP. *Note: Questions will be distributed to prospective vendors that have submitted proposals approximately 5 business days in advance of the interviews.*

1.17 PRE-PROPOSAL QUESTIONS

Questions regarding the RFP will be accepted until 4:00 PM (Eastern) on (insert new date), and should be directed to:

Latisha Blyden, Deputy Commissioner of Procurement
Department of Property and Procurement
Subbase Building #1, 3rd Floor
St. Thomas, Virgin Islands 00802
Phone: (340) 774-0828
Email: latisha.blyden@dpp.vi.gov

Responses of the GVI to all vendor questions will be included in a formal addendum to the RFP that will be issued within 5 business days of the above cutoff date. Receipt of all addenda to this RFP should be acknowledged by returning a signed copy of each addendum to the response.

1.18 REJECTION

The GVI reserves the right to reject any and all proposals, to waive any informality in proposals received, to accept or reject any or all of the items in the proposal, and to award the contract in whole or in part and/or negotiate any or all items with individual prospective vendors if it is deemed in the GVI's best interest. Moreover, the GVI reserves the right to

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

make no selection if proposals are deemed to be outside the fiscal constraint or against the best interests of the GVI.

The GVI reserves the right to negotiate separately with any prospective vendors after the opening of the response to this RFP when such action is considered in its best interest. Subsequent negotiations may be conducted, but such negotiations will not constitute acceptance, rejection, or a counteroffer on the part of the GVI.

1.19 AWARD

Award shall be made by the GVI to the responsible prospective vendors whose proposal is determined to be the most advantageous to the GVI, based on the evaluation criteria set forth herein.

Part 2 Terms and Conditions

2.1. INDEMNIFICATION

The Contractor agrees to protect, defend, indemnify and hold GVI, its officers, officials, agents, and employees, (hereafter 'the Indemnified Parties'), free and harmless from and against any and all claims, damages, demands, injury or death, in consequence of granting the Agreement or arising out of or being in any way connected with the Contractor's performance or lack thereof under the Agreement except for matters shown by final judgment to have been solely caused by or attributable to the gross negligence or intentional wrongful act of the Indemnified Parties. The indemnification provided herein should be effective to the maximum extent permitted by applicable law. This indemnity extends to all legal costs including without limitation; attorney's fees, costs, liens, judgments, settlements, penalties, professional fees or other expenses incurred by the GVI. This indemnification is not limited by any amount of insurance required under the Agreement and shall cover the cost of defense of any claim of liability within the scope of the indemnity whether or not such claim is meritorious. The Contractor shall be solely responsible for the defense of any and all claims, demands or suits against the Indemnified Parties including without limitation, claims by employees, subcontractors, agents, or servants of The Contractor provided that GVI shall have the right to designate separate counsel to defend GVI in which event the fees and expenses of such counsel shall be paid by the Contractor.

The Contractor shall promptly provide, or cause to be provided, to GVI and GVI counsel copies of any such notices as they may receive of any claims, actions or suits as may be given or filed in connection with the Contractor's or any subcontractor's performance of the Agreement and for which the Indemnified Parties may claim indemnification hereunder and give the Indemnified Parties authority, information, and/or assistance for the defense of any claim or action.

2.2. RETENTION OF VENDOR MATERIAL

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

All documents, records, programs, printouts and memoranda of every description derived there from and pertaining to this contract shall become property of the USVI and shall be turned over to it as stipulated in the contract.

2.3. CERTIFICATE OF INDEPENDENT PRICE DETERMINATION

By submission of a proposal, each prospective vendor certifies, that in connection with this procurement:

2.3.1. The prices in this proposal have been arrived at independently, without consultation, communication, or agreement with any other prospective vendor; with any competitor; or with any GVI employee(s) or consultant(s) for the purpose of restricting competition on any matter relating to this proposal.

2.3.2. Unless otherwise required by law, the prices which have been quoted in this proposal have not been knowingly disclosed by the prospective vendor and will not knowingly be disclosed by the prospective vendor prior to award directly or indirectly to any other prospective vendor or to any competitor.

2.3.3. No attempt has been made or will be made by the proposer to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

2.5 PAYMENT TERMS

Services will be paid for on a monthly basis when the contracting firm has satisfactorily presented precise records concerning performance, as will be defined contractually.

2.6 LIMITATION ON LIABILITY

Notwithstanding anything to the contrary, the parties expressly agree that Contractor's liability under this Contract is limited to claims paid by the Contractor's insurance coverage described under Insurance Coverage. Further, notwithstanding anything herein to the contrary, the Government expressly acknowledges and recognizes that (i) Contractor's role is to provide information, analysis, and advisory services; (ii) the decision on software and services vendor(s) is solely that of the Government; and (iii) contractor bears no responsibility for the performance of the software, hardware, or implementation services provider.

INSURANCE COVERAGE

- A. Contractor agrees to procure and maintain in effect insurance policies in the amount and with the type of coverage shown below.
 - 1. Workers Compensation insurance in the form and amount required by the law of the Government of the Virgin Islands.

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

2. Commercial General Liability insurance on an “Occurrence Basis” with limits of liability not less than \$500,000 per occurrence and/or Combined single-limit bodily injury and property damage.
3. Motor Vehicle Liability, including No-Fault coverage, with limits of liability not less than \$500,000 per occurrence and/or aggregate combined single limit, personal injury, bodily injury and property damage. Coverage shall include all non-owned vehicles and, all hired vehicles.
4. Professional Liability insurance in a form acceptable to the Government and with a limit of liability of not less than \$500,000.

2.7 CONTRACTOR PROJECT PERSONNEL

The vendor will maintain the same project personnel on the project from beginning to end (e.g., contractor project personnel will not be removed from the project without GVI approval). The GVI will adopt contractual provisions that provide disincentive for removing project personnel from the GVI’s project.

2.8 LIMITS ON SUBCONTRACTORS FOR IMPLEMENTATION

The GVI has approval rights over the use of all subcontractors. A copy of the proposed subcontract must be filed with the GVI. Proposing firms must conform to all other standard GVI policies regarding subcontractors.

2.9 SERVICES AND STATEMENT OF WORK

“Services” means all work performed by the Vendor for the GVI as agreed to in writing under the Services Agreement. Such Services are set forth in section 3.3, the Statement of Work (“SOW”).

The intent of the Services Agreement is for the Services to be completed in the detail described in the Statement of Work, which is attached to, and part of the Services Agreement. Except as otherwise explicitly stated in the Services Agreement, vendor will furnish all labor, materials, equipment, products, tools, transportation, and supplies required to complete the Services. Vendor will provide Services to the GVI as required in the Services Agreement and the Statement of Work. Any additional Services will be mutually agreed to in writing by each party through the Change Order process.

2.10 JURISDICTION, VENUE, CHOICE OF LAW

This RFP and any contract resulting there from shall be governed by and construed according to the laws of the United States Virgin Islands. Jurisdiction and venue shall be exclusively found in the Court of the Government of the Virgin Islands.

2.11 RESPONSIBILITY AND DEFAULT

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

The vendor shall be required to assume responsibility for all items listed in this Request for Proposals. The successful proposer shall be considered the sole point of contact for purposes of this contract.

2.12 PROFESSIONAL STANDARDS

The Vendor agrees to maintain the professional standards applicable to its profession such as GAAP and to contractors doing business in the USVI.

2.13 LICENSURE

The contractor will be expected to obtain all of the applicable licenses or permits, temporary or otherwise, as required by Title 27 of the Virgin Islands Code. The applicable license or permits can be found on the Department of Licensing and Consumer Affairs (DLCA) website at www.DLCA.gov.vi.

2.14 TERMINATION

The GVI reserves the right, to terminate this contract, or any part of this contract, upon thirty (30) days written notice. In case of such termination, the vendor shall be entitled to receive payment from the GVI for work completed to date in accordance with the terms and conditions of this contract. In the event that this Contract is terminated due to Contractor's default, the GVI shall be entitled to purchase substitute items and/or services elsewhere and charge the vendor with any or all losses incurred, including attorney's fees and expenses.

2.15 OWNERSHIP OF INFORMATION

All information pertaining to records, property, financial, or other information acquired under the scope of this contract shall be strictly confidential and the sole property of the GVI. The vendor shall return all information to the GVI upon termination, and/or request and shall not utilize any of the information for purposes outside of the scope of this contract or without express approval of the GVI.

2.16 CONFLICT OF INTEREST

A vendor filing a proposal hereby certifies that no officer, agent or employee of GVI has a pecuniary interest in this proposal or has participated in contract negotiations on behalf of GVI; that the proposal is made in good faith without fraud, collusion or connection of any kind with any other vendor for the same request for proposals; the vendor is competing solely in its own behalf without connection with, or obligation to, any undisclosed person or firm.

2.17 NOTICE OF FEDERAL FUNDING

The Vendor acknowledges that any subsequent contract is funded by and subject to the availability of federal funds. Vendor warrants that it shall not, with respect to any subsequent

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

contract make or present any claim knowing such claim to be false, fictitious, or fraudulent.

Part 3 Detailed Submittal Requirements

3.1. GENERAL REQUIREMENT

In order to facilitate the analysis of responses to this RFP, prospective vendors are required to prepare their proposals in accordance with the instructions outlined in this part. Proposals should be prepared as simply as possible and provide a straightforward, concise description of the vendor's capabilities to satisfy the requirements of the RFP. Emphasis should be concentrated on accuracy, completeness, and clarity of content. All parts, pages, figures, and tables should be numbered and clearly labeled.

Prospective vendors are required to follow the outline below when preparing their proposals: **[RENUMBER ITEMS BELOW – Statement of Work added per Section 2.9 above]**

Section	Title
	Title Page
	Letter of Transmittal
	Table of Contents
1.0	Executive Summary
2.0	Scope of Services
3.0	Statement of Work
4.0	Communication to the Enterprise Resource Planning System
5.0	Company Background
6.0	Financial Management Reporting
7.0	Systems Integration
8.0	Fiduciary Oversight Services Plan
9.0	Change Management
10.0	Client References
11.0	Cost Proposal
12.0	Exceptions to the RFP
13.0	Sample Documents

Instructions relative to each part of the response to this RFP are defined in the remainder of this section.

3.2. EXECUTIVE SUMMARY

(Section 1.0) This part of the response to the RFP should be limited to a brief narrative highlighting the vendor's proposal. The summary should contain as little technical jargon as possible and should be oriented toward non-technical personnel. This section should not include cost quotations. Please note that the Executive Summary should identify the primary contacts for

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

the services vendor and any third-party prospective vendors.

3.3. SCOPE OF SERVICES

(Section 2.0) This section of the proposal shall include a general discussion of the proposer's understanding of the “overall” project, the timetable, the scope of work proposed, and a summary of the proposal's major assumptions.

Additionally, based on the prospective vendor’s knowledge of the GVI’s needs, prospective vendors are invited to propose additional options/scenarios that they believe may be of benefit to the GVI.

3.3.1 STATEMENT OF WORK

(Section 3.0) To assist the GVI in shaping the project scope, the prospective vendor shall provide a response that will explain in detail that the prospective vendor can provide the required services to achieve that goal. Any solution proposed must include appropriate internal control methodologies that are compliant with appropriate accounting principles.

The responsibilities and requirements for the Third Party Fiduciary (Agent) are as follows:

1. The Agent must work cooperatively and in a timely manner with the Virgin Islands, VIDE, VIDH, and VIDHS to implement the activities and responsibilities described in these special conditions. The Agent acknowledges that regular communication among the Virgin Islands, the Department, and the Agent is necessary to ensure proper financial management of grant funds, consistent with approved grant applications, budgets, and applicable program statutes, regulations and the cost principles in 2 CFR Part 200, Subpart E. Therefore, the Agent understands and agrees that, as the Department deems necessary and appropriate, the Department shall include the Agent in communications, both written and oral, between the Virgin Islands and the Department.
2. The Agent’s role encompasses financial management responsibilities concerning the grants, including, but not limited to, processing payments and disbursements, maintaining financial records, financial reporting, instituting and applying procurement, inventory, and payroll procedures that comply with applicable Federal requirements, and other duties as more fully described below. In addition, with respect to the Consolidated Grant, the Agent agrees to provide assistance to VIDE as it prepares the budgets that accompany the annual Consolidated Grant application.
3. For purposes of the IDEA Part C FFY 2007 through 2016 grants, the Agent is responsible only for the property procurement and management functions that are required to be performed under the Uniform Guidance at 2 CFR Part 200 (including 2 CFR §§ 200.311, 200.313, 200.314, and 200.318-200.326) by VIDPP, and any financial management functions needed to be performed by VIDF for the IDEA Part C grants, and which are not being performed already under the contract between VIDH and LSS. Because VIDH’s

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

IDEA Part C grants for FFYs 2007 through 2016 include special conditions requiring the use of a third party fiduciary agent (LSS) that carries out VIDH's financial management and recordkeeping responsibilities in accordance with the applicable provisions of IDEA Part C and EDGAR, the Agent performing services under these Department-wide special conditions is not required to assume responsibilities other than the responsibilities described above in this subsection. The Department's grant awards to VIDH under IDEA Part C for FFYs 2007 through 2016 include special conditions requiring VIDH to use LSS to ensure the continued fiscal accountability of IDEA Part C funds and the timely payment of early intervention service providers for the timely provision of IDEA Part C services to infants and toddlers with disabilities and their families. In addition, VIDH's IDEA Part C grant funds may not be used to pay any costs charged by the Agent to the Virgin Islands or VIDH under the contract between the Virgin Islands and the Agent.

4. The Virgin Islands, VIDE, or VIDHS, prior to any drawdowns or disbursements, must provide the Agent with a line item budget for the total amount of each grant and subgrant, if applicable, that has been approved and verified by the Department. The line item budget must include amounts for State administration, State-level program activities, and LEA program activities. For purposes of the Consolidated Grant, the Virgin Islands and VIDE must provide the Agent with line item budgets for each of the programs under which the Virgin Islands and VIDE will use Consolidated Grant funds. The line item budget for each of these programs must be based on the total amount of Consolidated Grant funds to be used for each program and include amounts for State administration, State-level program activities, and LEA program activities. The Agent must use these line item budgets to track projected and actual expenditures for the programs under the grants. The Agent must ensure that the expenditures proposed are only for allowable costs under each grant. The Agent will also receive from the Department copies of the applications, budgets, and budget narratives that the Department has approved for the Virgin Islands' grant awards to ensure that the Agent has these documents for purposes of executing its financial management responsibilities on behalf of the Virgin Islands under these grants.
5. The Agent must establish, maintain, and manage a separate bank account for all of the funds under the grants from the Department. The Agent must provide the Virgin Islands, VIDE, and VIDHS, as appropriate, with written notice (e.g., copy of invoice) of when funds are needed for a disbursement under a particular grant.
6. The Agent must acknowledge that the Virgin Islands, VIDE, and VIDHS have drawdown authority and that they understand and agree that they must draw down funds and provide any applicable matching funds to the Agent within 24 hours of receipt of the written notice from the Agent. Failure by the Virgin Islands, VIDE, or VIDHS to comply with this condition concerning the time within which they must draw down funds may result in the Department requiring the transfer of drawdown authority to the Agent for that entity. In the event of the Virgin Islands', VIDE's, or VIDHS' failure to draw down funds in accordance with this condition, the Agent must notify the Department, and the Department will determine whether drawdown authority must be transferred to the Agent.

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

If so, then immediately upon written notice of this decision from the Department, the Virgin Islands, VIDE or VIDHS, as appropriate, must take all steps necessary to provide the Agent with full authority to perform drawdowns, including providing any information and authorization that the Department needs to recognize the Agent as the entity with drawdown authority.

7. The Agent must use fiscal control and accounting procedures that meet the requirements imposed on non-Federal entity grantees in accordance with 2 CFR §§ 200.302, 200.303, and 200.305(b).
8. The Agent must expend funds only for costs that are allowable under the respective grant programs, in accordance with 2 CFR Part 200, Subpart E. Additionally, for purposes of the Consolidated Grant, the Agent must expend funds only for allowable costs under, and included in, each Department-approved Consolidated Grant plan from FFYs 2007 through 2016. If the Agent questions whether an expenditure is allowable, the Agent must raise this question with the appropriate entity, the Virgin Islands, VIDE, or VIDHS. If the Agent deems it necessary, the Agent may also request assistance from the Department in determining the allowability of any expenditure.
9. The Agent must determine the value of any in-kind property or services donated to or provided by the Virgin Islands, VIDE, and VIDHS that are used to meet cost sharing or matching requirements as required by 2 CFR § 200.306 and must maintain records sufficient to document the bases for those valuations.
10. The Agent must take steps to prevent the lapsing of funds available under the grants, including ensuring timely disbursement of funds through the use of methods and procedures for payment that minimize the time elapsing between the transfer of funds and disbursement of those funds as specified in the Virgin Islands' Treasury-State agreement, as required under the Cash Management Improvement Act and Treasury regulations at 31 CFR Part 205. For grant funds not included in the Virgin Islands' Treasury-State agreement, the Agent must meet the requirements in 2 CFR § 200.305(b). The Virgin Islands, VIDE, VIDHS, and the Agent must coordinate the timing of drawdowns and disbursements to ensure that payments to staff, vendors and providers are prompt and timely. To the greatest extent feasible, the Virgin Islands, VIDE, VIDHS, or the Agent, if it has undertaken drawdown responsibility, must draw down funds in a timely manner so that funds under the grants are deposited to the separate bank account maintained by the Agent on the same day that funds are drawn from the account to liquidate obligations under the grants. The Agent must ensure that any interest earned on grant funds not subject to the Treasury-State agreement is repaid annually, as required by 2 CFR § 200.305(b)(9).
11. The Agent must charge Department grants only for costs resulting from obligations that were properly made during the period of availability for the funds, including any carryover period. To ensure against the lapsing of Department funds, the Agent must liquidate obligations no later than 90 days after the end of the funding period or during

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

any extension of that period authorized by the Department, in accordance with 2 CFR § 200.343(b).

12. The Agent may seek approval from the Department to charge allowable pre-award costs incurred by the Virgin Islands, VIDE or VIDHS against any grant award from FFY 2007 through 2016 to which these special conditions apply. The Agent must submit any request for pre-award costs to the Department in writing and may not reimburse any pre-award costs unless it receives written approval from the Department.
13. The Agent must establish and maintain a process for tracking and reporting time and effort spent by all employees whose salaries are paid under ED grants, including distribution of time among different funding sources for split-time employees, and for properly allocating salary costs among ED grants, based on records that accurately and properly record the distribution of each employee's work on multiple cost objectives, the time the employee attends work, and, for those employees who work on a single cost objective, semiannual certifications. The Agent must carry out these responsibilities consistent with Federal requirements in 2 CFR Part 200, Subpart E, and more specifically, 2 CFR §§ 200.430 and 200.431.
14. In disbursing funds for allowable costs under the grants, the Agent must distinguish between direct and indirect costs and use accurate methods to allocate funds correctly between these two cost categories. The Agent must ensure that the charging of direct and indirect costs against the respective Department grants is consistent with the applicable restricted and unrestricted indirect cost rates negotiated with, and approved by, the U.S. Department of Interior (the Virgin Islands' cognizant Federal agency), and that copies of any indirect cost rate proposals or agreements comply with the applicable requirements of 2 CFR Part 200, Subpart E, and 34 CFR §§ 75.560-564 (discretionary grants) and 34 CFR §§ 76.560-569 (formula grants).
15. The Agent must establish contacts and working relationships with prospective vendors that can provide goods and services that the Virgin Islands, VIDE, and VIDHS need under the grants. The Virgin Islands, VIDE, and VIDHS must give the Agent authority to enter into contracts with vendors on behalf of the Virgin Islands, VIDE, VIDHS, and, as appropriate, VIDH, and in doing so, must comply with the provisions for procurement set forth in 2 CFR §§ 200.318-200.326.
16. Within 24 hours of the Agent's receipt of a vendor invoice, the Agent must provide a copy of the invoice to the Virgin Islands, VIDE, VIDHS, or, as appropriate, VIDH, and ensure that the goods or services delivered are available for inspection and acceptance or rejection by the appropriate Virgin Islands, VIDE, VIDHS, or, as appropriate, VIDH, staff requesting the goods or services. The Agent must pay vendors for the delivered goods or services and must, to the extent reasonably possible, disburse funds to the vendors on the same day that funds are deposited into the separate bank account(s) maintained by the Agent. The Agent must make payments by electronic funds transfer (EFT) or by paper draft only if EFT is not available or possible for a particular vendor.

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

17. The Agent must manage all tangible personal property procured under the grants, with a purchase price of \$500 or greater, in accordance with the requirements of 2 CFR §§ 200.313(a) and (c)-(e). In particular, the Agent must establish and maintain a process for managing such property consistent with the requirements of 2 CFR § 200.313(d), including reconciling the inventory conducted by the Virgin Islands under Section II.A.18 of these special conditions with existing property records; developing a system for maintaining property records and for identifying property acquired with ED grant funds; and establishing a control system to prevent loss, damage, or theft of the property.
18. The Agent must maintain records that fully show the amount of funds made available under each of the grants; how the Virgin Islands, VIDE, or VIDHS uses the funds; the total cost of each project; the share of that cost provided from other sources; and other records to facilitate an effective audit, in accordance with 34 CFR § 75.730 (discretionary grants) and § 76.730 (formula grants). The Agent, acting on behalf of the Virgin Islands, VIDE and VIDHS, must retain records in accordance with the provisions of 2 CFR § 200.333.
19. In general, the Agent must use fiscal control and fund accounting procedures that ensure proper disbursement of, and accounting for, Federal funds, in accordance with 34 CFR § 75.702 (discretionary grants), § 76.702 (formula grants), and 2 CFR §§ 200.302, 200.303, and 200.305(b).
20. The Agent must maintain insurance as required under the terms of the contract.
21. All transactions under the contract between the Virgin Islands and the Agent must be consistent with all applicable Federal requirements, including the Uniform Guidance at 2 CFR Part 200 and EDGAR at 34 CFR Parts 75 or 76, as appropriate.
22. The Agent must comply generally with the requirements of 2 CFR § 200.327. More specifically, the Agent must produce quarterly reports concerning financial transactions of the Virgin Islands, VIDE, and VIDHS for submission to those entities and the Department, detailing for each grant awarded to the Virgin Islands, VIDE, and VIDHS, including for each individual program for which the Virgin Islands and VIDE are using Consolidated Grant funds: a) the date of receipt, and the amount, of each approved payment request; b) the date and amount of each draw down deposit; c) the date and amount of each payment or disbursement by the Agent; and d) any interest or other funds remaining in the account at the end of the quarter. These amounts must also be grouped by and comparable with the projections in the line item budgets described above in Section II.A.7 and must be reconciled with the Department's G5 system. This reconciliation must include drawdown dates, drawdown amounts and available balances, by award. These reports shall be due within 10 working days after the end of each quarter.

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

23. The Agent must work with the Virgin Islands, VIDE, VIDHS, VIDF, and VIDPP to assist in the training of employees and to provide transition assistance (including, but not limited to, transferring all necessary data from the Agent to the new CFMS, communicating information from the Agent to the contractor implementing the new CFMS, and providing feedback to the Virgin Islands, VIDE, and the Department on the Virgin Islands' implementation of the new CFMS), as the Virgin Islands implements and transitions staff to the new CFMS.
24. The Agent recognizes that, except as noted herein, the Virgin Islands, VIDE, VIDH, and VIDHS must comply with all applicable provisions of EDGAR, and all actions that the Agent takes on their behalf in accordance with services provided under these special conditions, must be in compliance with all applicable provisions of EDGAR.

3.4. COMMUNICATION TO ENTERPRISE RESOURCE PLANNING SYSTEM

(Section 4.0) GVI operates its management functions under specific laws and regulations for financial, human resources, procurement and record keeping in compliance with federal grant funding obligations. To comply with the comprehensive mandates of the regulatory requirements, GVI is procured an ERP system that provides streamlined data entry, on-demand access to information and historical data, and comprehensive management reporting features in compliance with all applicable laws and regulations. The proposed services and any business process redesign that results from the services must utilize the ERP system currently in use by the current Third Party Fiduciary Agent.

3.5. COMPANY BACKGROUND

(Section 5.0) Vendor must provide the following information about its company so that the GVI can evaluate the vendor's stability and ability to support the commitments set forth in the response to the RFP. The GVI, at its option, may require a vendor to provide additional support and/or clarify requested information.

- Amount of time the company has been in business.
- A brief description of the company size and organizational structure.
- Amount of time and what experience vendor has in the public sector, particularly public sector clients of similar size and complexity to the GVI.
- Most recent audited financial statements.
- List of public sector customers for whom the prospective vendor has provided similar services by name and by state. (Territorial or State government customers are to be listed first.) The number and type of processes managed should also be included.
- Any other materials including but not limited to letters of support or endorsement from clients which demonstrate indicative of the vendor's capabilities.

3.6. FINANCIAL MANAGEMENT REPORTING

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

(Section 6.0) The prospective vendor must perform monthly and quarterly account reconciliations and provide supporting financial statements and reports in support of the reconciliations to the VIDE, GVI, and USED as required. Address financial reporting in the proposal consistent with the requirements of the Education Department Grant Administration Regulations (EDGAR) 80.41 and provide examples of control reports delivered as part of the prospective vendor's third-party fiduciary duties.

3.7. SYSTEMS INTEGRATION

(Section 7.0) Detail your ability to electronically transfer all necessary data from the system used by the current TPF agent to the Financial Management System of the GVI (ERP). Discuss the ability to provide the GVI with read-only access to view financial data in the system used by the current TPF agent.

3.8. FIDUCIARY OVERSIGHT SERVICES PLAN

(Section 8.0) The proposer must provide a detailed plan for providing the proposed services. This information **MUST** include:

- Detailed methodology for third party fiduciary oversight services. Methodology shall include estimated timeframes for establishing business process controls, any assumptions, and assumed responsibilities.
- Project organization chart showing vendor staff for the project. Ensuring sufficient personnel are available, with the necessary skills and expertise in financial management functions, to perform the desired services.
- Work effort estimates and a work plan listing proposed resource utilization by each month should also be submitted. The work plan and staff schedule should address the scaling up of operations to accommodate any increase in workload, whether long or short-term. The prospective vendor's Work Plan must state any facilities, data, and other requirements that GVI will be expected to provide.
- Names, titles, and resumes of staff that will be assigned to this project. GVI reserves the right to approve changes in personnel from those included in the detailed work plan, and the right to request changes in personnel.

3.9. CHANGE MANAGEMENT

(Section 9.0) [Need to add something here regarding what is expected of change management, per Section 3.1 above.

3.10. CLIENT REFERENCES

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

(Section 10.0) The GVI considers references for the third party fiduciary vendor and any proposed sub-contractors to be important in its decision to award a contract. All references provided will be contacted by the GVI during the selection process. GVI will not work through a vendor's Reference Manager to complete a reference—prospective vendors must provide a direct client reference that was involved in a vendor-led project.

THIRD PARTY FIDUCIARY FIRMS –Firms must provide five (5) references for sites similar to this procurement where they have provided the services being proposed. (Reference forms are attached to this proposal.) References should be submitted where the firm was the primary fiduciary agent.

SUB-CONTRACTOR FIRMS – Using the forms attached to this RFP, third-party firms addressing particular areas of the scope of work (e.g., business process review and control) should provide at least five (5) references that are similar in size and complexity to this procurement.

3.11. COST PROPOSAL

(Section 11.0) Prospective vendors should submit an estimate of project costs. The prospective vendor's cost proposal must be presented in the format provided in the Attachments to this RFP. The GVI reserves the right to contact prospective vendors on cost and scope clarification at any time throughout the selection process and negotiation process. Finally, it is important that prospective vendors use the cost format presented in this RFP and NOT their own format. Do NOT use "TBD" (to be determined) or similar annotations in the cells for cost estimates. All cells must be filled out. The GVI is asking prospective vendors to estimate costs for all categories with the understanding that they may have to make assumptions. Such assumptions should be stated.

Failure to fully provide cost and work effort estimates may lead to elimination.

The prospective vendor's Pricing Proposal structure must be aligned with the prospective vendor's Work Plan. GVI will use the prospective vendor's Pricing Proposal structure as the basis for a Payment Schedule.

The GVI may award a purchase contract, based on initial offers received without discussion of such offers. A prospective vendor's initial offer should, therefore, be based on the most favorable terms available. The GVI may, however, have discussion with those prospective vendors that it deems, in its discretion, to fall within a competitive range. It may also request revised pricing offers from such prospective vendors, and make an award and / or conduct negotiations thereafter.

The following information is provided to assist prospective vendors with pricing this proposal.

USVI Operating Budget	\$750 million
USED GRANT Annual Amount	\$ 30 million
Fiduciary Arrangement	

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

3.12. EXCEPTIONS TO THE RFP

(Section 12.0) All requested information in this RFP must be supplied with the proposal. Prospective vendors may take exception to certain requirements in this RFP. All exceptions shall be clearly identified in this section and the written explanation shall include the scope of the exceptions, the ramifications of the exceptions for the GVI, and the description of the advantages or disadvantages to the GVI as a result of such exceptions. The GVI, at its sole discretion, may reject any exceptions or specifications within the proposal.

A sample professional services agreement has been attached and should be reviewed by the prospective vendors.

3.13. SAMPLE DOCUMENTS

(Section 13.0) To establish a complete and competitive proposal, prospective vendors must include sample copies of the following documents:

- ~ Sample third party fiduciary agreement
- ~ Sample fiscal oversight and control report

Part 4 Evaluation of Proposals

4.1. GVI CONSULTANTS - Not applicable

4.2 SELECTION PARTICIPANTS

GVI staff will evaluate and select finalist proposals. The Evaluation Team is responsible for the evaluation and rating of the proposals and for conducting interviews with elevated prospective vendors. The Evaluation Team is responsible for evaluating vendor experience, references, and scope of work, technical responses, costs, and other selection criteria.

4.3 EVALUATION PROCESS

The GVI will use a competitive process based upon elevating a certain number of prospective vendors to compete against each other at different levels (stages) of the process. If a vendor fails to meet expectations during any part of the process, the GVI reserves the right to proceed with the remaining prospective vendors or to elevate a vendor that was not elevated before. Selection of the final vendor will be based upon the following steps and factors:

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

➤ Level 1 (Initial Screening)

In order for a proposal to be deemed responsive and pass the initial screening, it must meet the minimum requirements as described below.

- Are proposal costs included with the proposal?
- Does the proposal contain the required responses as requested in the RFP?
- Does the proposal provide evidence that the proposed firm has had experience administering fiduciary oversight services in a similarly sized organization?

Proposals not meeting the minimum requirements will be deemed non-responsive and will not be further evaluated. Non-responsive Prospective vendors will be notified in writing.

➤ Level 2 (Detailed Proposal Assessment)

- Cost of Services
- Overall Response to the Scope of Work
- Technology Standards, Preferences, and Vision
- Experience of the vendor(s) – Does the proposal demonstrate a strong track record in performing the desired services?
- Project and Staffing Plan
- Responses to Section 3 of the RFP

➤ Level 3 (Vendor Interviews may be conducted)

- Vendor References
- Vendor Interviews (Quality of the Proposed Plan)
- Completeness of Cost Proposal and Value of the Proposal

➤ Level 4 (Final Contract Negotiations)

- Conformance with GVI Contract Terms and Conditions
- Completion of the Statement of Work

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

Attachments

Attachment 1: Third Party Fiduciary Vendor Reference Form

Attachment 2: Sub-Contractor Reference Form

Attachment 3: Attachment 3: Proposed Cost Schedule

Schedule 1: Summary

Schedule 2: Professional Services

Schedule 3: Subcontractor Costs

Schedule 4: Travel and Other Costs

Attachment 4: Sample Professional Services Agreement

Attachment 5: Compliance Agreement between GVI and USED

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

Attachment 1: Third Party Fiduciary Reference Form

THIRD PARTY FIDUCIARY OVERSIGHT SERVICES

Reference Form

Please provide at least five (5) references for the proposed services that most closely reflect similar consulting projects to GVI's scope of work, which has been completed by your firm within the past three (3) years. Please use the following format in submitting references.

GENERAL BACKGROUND

Name of Government or Agency:

Phone:

Address:

Government Project Manager: _____ **/ Title:**

Service Dates: _____

Summary of Project:

Amount of Funds Managed:

Number of Employees:

PROJECT SCOPE

Please indicate (by checking box) processes managed:

(1) General Ledger
(2) Budget Development
(3) Projects Accounting
(4) Grants Accounting
(5) Accounts Payable

(6) Accounts
(7) Inventory
(8) Purchasing
(9) Fixed Assets
(10) Payroll

(11) Payroll Receivable/Billing/Cash Receipts

PROJECT COST

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

Attachment 2: Sub-Contractor Reference Form

THIRD PARTY FIDUCIARY OVERSIGHT SERVICES

Sub-Contractor Reference Form

Please provide at least five (5) references for the proposed services that most closely reflect similar consulting projects to GVI's scope of work, which your firm has completed within the past three (3) years. Please use the following format in submitting references.

GENERAL BACKGROUND

Name of Government or Agency:

Phone:

Address:

Government Project Manager: _____ **/ Title:**

Service Dates: _____

Summary of Project:

Amount of Funds Managed:

Number of Employees:

PROJECT SCOPE

Please indicate (by checking box) processes managed:

- | | | |
|-------------------------|------------------|-----------------------------------------------|
| (1) General Ledger | (6) Accounts | (11) Payroll Receivable/Billing/Cash Receipts |
| (2) Budget Development | (7) Inventory | |
| (3) Projects Accounting | (8) Purchasing | |
| (4) Grants Accounting | (9) Fixed Assets | |
| (5) Accounts Payable | (10) Payroll | |

PROJECT COST

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

Attachment 3: Proposed Cost Schedule

Schedule 1: Summary Schedule 2: Professional Services

Schedule 3: Subcontractor Costs

Schedule 4: Travel and Other Costs – **N/A**

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

Attachment 4: Sample Professional Services Agreement

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

CONTRACT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made this _____ day of _____, 2016, in the Territory of the Virgin Islands, by and between the Government of the Virgin Islands, Department of Property and Procurement, on behalf of the [User Agency] (hereinafter referred to as "Government") and [Contractor] (hereinafter referred to as "Contractor")

WITNESSETH:

WHEREAS, the Government is in need of the services of a Contractor to [SUMMARY SCOPE OF SERVICES], which duties and responsibilities are more particularly described in Addendum I (Scope of Work) attached hereto; and

WHEREAS, the Contractor represents that it is willing and capable of providing such services;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and intending to be legally bound by this written instrument, the parties hereto do covenant and agree as follows:

1. SERVICES

The Contractor will provide the services described in Addendum I (Scope of Work) attached hereto and made a part of this contract.

2. TERM

This Contract shall commence upon the execution of this Contract by the Governor of the Virgin Islands and shall terminate [NUMBER OF DAYS] days thereafter.

3. COMPENSATION

The Government, in consideration of the satisfactory performance of the services described in Addendum I (Scope of Work), agrees to pay Contractor the sum of [AMOUNT OF CONTRACT] [(\$)] in accordance with the provisions set forth in Addendum II (Compensation) attached hereto and made a part of this contract.

4. TRAVEL EXPENSES

Included in the compensation for services as specified in Paragraph 3 (Compensation) above, the Government agrees to pay documented transportation, subsistence, lodging and other travel expenses, while in travel status, for trips which have been authorized in writing, in advance, by the Government. These costs shall be advanced or reimbursed on the same basis as is applicable to non-contract employees of the Government, or as agreed to by an addendum to this Contract, however, said costs and expenses shall not exceed N/A (\$ N/A).

5. RECORDS

The Contractor, when applicable, will present documented precise records of time and/or money expended under this Contract.

6. PROFESSIONAL STANDARDS

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

The Contractor agrees to maintain the professional standards applicable to its profession and to consultants doing business in the United States Virgin Islands.

7. DOCUMENTS, PRINTOUTS, ETC.

All documents, books, records, instructional materials, programs, printouts and memoranda of every description derived therefrom and pertaining to this Contract shall become the property of the Government and shall be turned over to it at the termination of this Contract. The above described materials shall not be used by Contractor or by any other person or entity except upon the written permission of the Government.

8. LIABILITY OF OTHERS

Nothing in this Contract shall be construed to impose any liability upon the Government to persons, firms, associations, or corporations engaged by Contractor as servants, agents, or independent contractors, or in any other capacity whatsoever, or make Government liable to any such persons, firms associations, or corporations for the acts, omissions, liabilities, obligations and taxes of Contractor of whatsoever nature, including but not limited to unemployment insurance and social security taxes for Contractor, its servants, agents or independent contractors.

9. ASSIGNMENT

The Contractor shall not subcontract or assign any part of the services under this Contract without the prior written consent of the Government.

10. INDEMNIFICATION

Contractor agrees to investigate, defend and hold harmless Government from and against any and all loss, damage, liability, claims, demands, detriments, cost, charges and expense (including attorney's fees) and causes of action of whatsoever character which Government may incur, sustain or be subjected to, arising out of or in any way connected to the services to be performed by Contractor under this Contract and arising from any cause, except the sole negligence of Government.

11. INDEPENDENT CONTRACTOR

The Contractor shall perform this Contract as an independent contractor and nothing herein contained shall be construed to be inconsistent with this relationship or status.

12. GOVERNING LAW

This Contract shall be governed by the laws of the United States Virgin Islands and jurisdiction shall remain in the United States Virgin Islands.

13. WAIVERS AND AMENDMENTS

No waiver, modification or amendment of any term condition or provision of this Contract shall be valid or of any force or effect unless made in writing, signed by the parties hereto or their duly authorized representatives, and specifying with particularity the nature and extent of such waiver, modification or amendment. Any such waiver, modification or amendment in any instance or instances shall in no event be construed to be a general waiver, modification or amendment of any of the terms, conditions or provisions of this Contract, but the same shall be strictly limited and restricted to the extent and occasion specified in such signed writing or writings.

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

14. ENTIRE AGREEMENT

This agreement constitutes the entire agreement of the parties relating to the subject matter addressed in this agreement. This agreement supersedes all prior communications, contracts, or agreements between the parties with respect to the subject matter addressed in this Agreement, whether written or oral.

15. RIGHT TO WITHHOLD

If work under this Contract is not performed in accordance with the terms hereof, Government will have the right to withhold out of any payment due to Contractor, such sums as Government may deem ample to protect it against loss or to assure payment of claims arising therefrom, and, at its option, Government may apply such sums in such manner as Government may deem proper to secure itself or to satisfy such claims. Government will immediately notify the Contractor in writing in the event that it elects to exercise its right to withhold.

No such withholding or application shall be made by Government if and while Contractor gives satisfactory assurance to Government that such claims will be paid by Contractor or its insurance carrier, if applicable in the event that such contest is not successful.

16. CONDITION PRECEDENT

This Contract shall be subject to the availability and appropriation of funds and to the approval of the Governor.

17. TERMINATION

Either party will have the right to terminate this Contract with or without cause on [#] days written notice to the other party specifying the date of termination.

18. PARTIAL TERMINATION

The performance of work under this Contract may be terminated by the Government, in part, whenever the Government shall deem such termination advisable. This partial termination shall be effected by delivering to the Contractor a Notice of Partial Termination specifying the extent to which the term and/or duties under this Contract are terminated and the date upon which such termination becomes effective. The Contractor shall be entitled to receive payment for services provided to the date of termination, including payment for the period of the [#] day notice.

19. NON-DISCRIMINATION

No person shall be excluded from participating in, be denied the proceeds of or be subject to discrimination in the performance of this Contract on account of race, creed, color, sex, religion, disability or national origin.

20. CONFLICT OF INTEREST

(a) Contractor covenants that it has no interest and will not acquire any interest direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Contract.

(b) Contractor further covenants that it is:

(1) not a territorial officer or employee (i.e., the Governor, Lieutenant Governor, member of the Legislature, or any other elected territorial official; or an officer or employee of the legislative, executive or judicial branch of the Government or any agency, board, commission

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

or independent instrumentality of the Government, whether compensated on a salary, fee or contractual basis); or

- (2) a territorial officer or employee and, as such, has:
 - (i) familiarized itself with the provisions of Title 3, Chapter 37 of the Virgin Islands Code, pertaining to conflicts of interest, including the penalties provision set forth in section 1108 thereof;
 - (ii) not made, negotiated or influenced this Contract, in its official capacity;
 - (iii) no financial interest in the Contract as that term is defined in section 1101(1) of said Code chapter.

21. EFFECTIVE DATE

The effective date of this Contract shall be the day of execution of the Contract by the Governor.

22. NOTICE

Any notice required to be given by the Terms of this Contract shall be deemed to have been given when the same is sent by certified mail, postage prepaid or personally delivered, addressed to the parties as follows:

GOVERNMENT

Randolph N. Bennett
Commissioner
Department of Property and Procurement
Sub Base, Building No. 1, Third Floor
St. Thomas, VI 00802

[NAME & TITLE]
[USER AGENCY]
[AGENCY'S PHYSICAL ADDRESS]
[AGENCY'S MAILING ADDRESS]
[CITY. STATE. ZIP CODE]

CONTRACTOR

[NAME]
[TITLE]
[NAME OF COMPANY]
[PHYSICAL ADDRESS]
[MAILING ADDRESS]
[CITY, STATE, ZIP CODE]

23. LICENSURE

The Contractor covenants that it has:

- (a) obtained all of the applicable licenses or permits, permanent, temporary or otherwise as required by Title 27 of the Virgin Islands Code; and
- (b) familiarized itself with the applicable provisions of Title 27 of the Virgin Islands Code pertaining

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

to professions and occupations.

24. OTHER PROVISIONS

Addendum 3 attached hereto containing Paragraphs 25 through N/A is a part of this Contract and is incorporated herein by reference.

25. DEBARMENT CERTIFICATION (Only Insert if Applicable)

By execution of this contract, the contractor certifies that it is eligible to receive contract awards using federally appropriated funds and that it has not been suspended or debarred from entering into contracts with any federal agency. The Contractor shall include this provision in each of its subcontracts hereunder and shall furnish its subcontractors with the current "LIST OF PARTIES EXCLUDED FROM FEDERAL PROCUREMENT OR NON PROCUREMENT". In the event the Contractor or any subcontractor misrepresents its eligibility to receive contract awards using federal funds, the Contractor or subcontractor agrees that it shall not be entitled to payment for any work performed under this contract or any subcontract and that the Contractor or subcontractor shall promptly reimburse the Government of the Virgin Islands for any progress payments heretofore made.

26. FALSE CLAIMS

Contractor warrants that it shall not, with respect to this Contract, make or present any claim upon or against the Government of the Virgin Islands, or any officer department, board, commission, or other agency thereof, knowing such claims to be false, fictitious or fraudulent. Contractor acknowledges that making such a false, fictitious or fraudulent claim is an offence under Virgin Islands law.

27. NOTICE OF FEDERAL FUNDING (Only Insert if Applicable)

Contractor acknowledges that this Contract is funded, in whole or in part, by federal funds. Contractor warrants that it shall not, with respect to this Contract, make or present any claim knowing such claim to be false, fictitious, or fraudulent. Contractor acknowledges that making such a false, fictitious, or fraudulent claim is a federal offence.

IN WITNESS WHEREOF, the parties have hereunto set their hands on the day and year first above written.

WITNESSES:

GOVERNMENT OF THE VIRGIN ISLANDS

[NAME] [TITLE]
[USER AGENCY]

Date

Randolph N. Bennett, Commissioner
Department of Property and Procurement

Date

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

CONTRACTOR

<hr/>	<hr/> <div>[NAME] [TITLE] [NAME OF COMPANY] (Corporate seal, if Contractor is a corporation)</div>	<hr/> <div>Date</div>
-------	------------------------------------------------------------------------------------------------------------	-----------------------

APPROVED:

<hr/> <div>Kenneth E. Mapp GOVERNOR OF THE VIRGIN ISLANDS</div>	Date: <hr/>
----------------------------------------------------------------------------	-------------

APPROVED AS TO LEGAL SUFFICIENCY
DEPARTMENT OF JUSTICE BY:

 Date

PURCHASE ORDER NO.

CERTIFICATE OF APPROVAL

I hereby certify that this is a true and exact copy of Contract No. [CONTRACT NO]
entered into between the Department of Property and Procurement and
[COMPANY'S NAME].

Randolph N. Bennett, Commissioner
Department of Property and Procurement

**United States Virgin Islands
Request for Proposals
Third Party Fiduciary Oversight and
Funds Management Services**

Attachment 5: Compliance Agreement between GVI and USED